

Alabama Credit Union League



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February 2, 2009

The Honorable Michael Fryzel
Chairman
National Credit Union Administration
Alexandria, VA 22314-3428

Dear Chairman Fryzel:

Oh behalf of the Alabama Credit Union League, and the 143 credit unions we represent, I write to express our deep concern over the NCUA's proposed assessment to fund the NCUSIF assistance of U.S. Central and the Corporate Credit Union Network.

We recognize that the current economic conditions have put tremendous strain on U.S. Central and corporate credit unions, and that the NCUA did need to take some action. However, the proposed assessment of credit unions at this time will have a most harmful effect on natural person credit unions and their ability to serve their members. For too many credit unions, this proposal even creates a question of survival.

The credit union community is strong and resilient, and has shown time and again that when faced with challenges, we can put our collective heads together and work through problems and come out stronger for it. Therefore I urge you to reconsider the mechanism by which the NCUA has announced that it will fund the assistance to the corporate network. CUNA, Leagues, and individual credit unions will be developing meaningful alternatives that address the issue at hand, without inflicting harm on the industry. We implore you to carefully consider these alternatives to the plan as proposed.

Credit unions in Alabama have contacted my office with grave concerns over the announcement of last week, and I am sure your office has heard similar responses. The current economic conditions are putting tremendous pressure on credit unions, and nobody wants to see additional actions that could further exacerbate the problems. We will be working with the rest of the credit union system to explore and develop options. We respectfully request that you consider alternative proposals before moving forward with the proposal as announced.

Sincerely,

Gary B. Wolter
President and CEO

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